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ABSTRACT

A study of the financial condition of California's independent colleges and universities is reported. The study is based on financial data from a sample of 57 regionally accredited nonprofit independent higher education institutions in the state. Indicators show that enrollments in these institutions have generally held steady in recent years, their state-funded financial aid has increased, and their net revenues are positive. However, indications of financial stress are evident at many of them, including soft enrollment demand, decreases in instructional expenditures, and increases in institutional financial aid expenditures. To provide a policy context for interpretation of these data, the report reviews state policy issues affecting the independent sector and recommends a policy framework for future study of that sector. It is concluded that the role and contributions of independent institutions in meeting the state's policy goals should be integrated into all state postsecondary education planning, policy, and program review work. The legislative support language is appended. Contains 8 references. (MSE)

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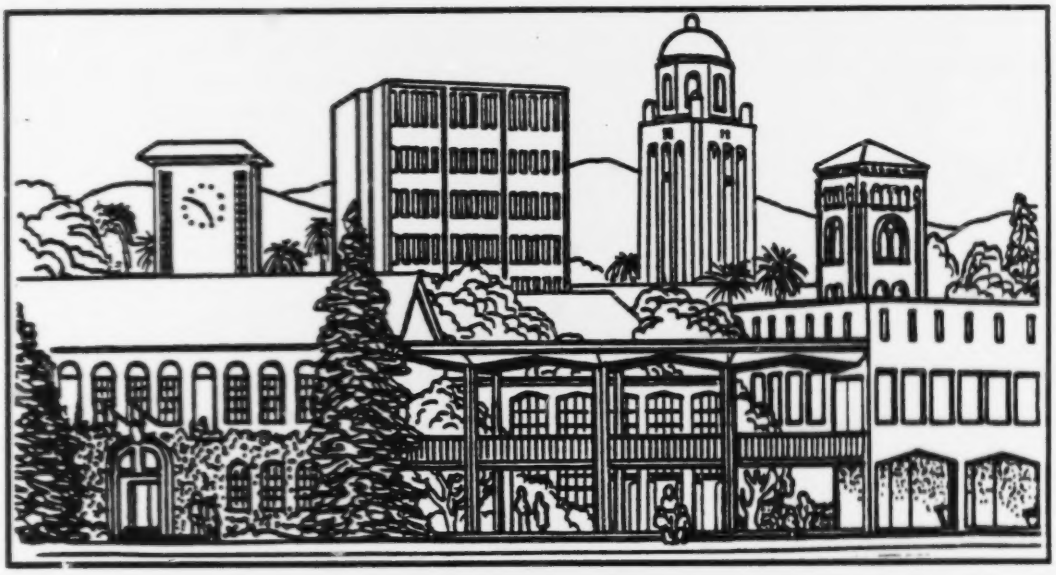
THE FOURTH SEGMENT

Accredited Independent Postsecondary Education in California



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Summary

This is the fifth in a series of statutorily mandated reports on the financial condition of independent colleges and universities in California. In order to make trend comparisons, it summarizes data from a sample of 57 regionally accredited non-profit independent institutions on the eight indicators of financial condition used in the previous reports.

Those indicators show that enrollments at these institutions have in general held steady in recent years, their State-funded financial aid has increased, and their net revenues are positive. Nonetheless, indications of financial stress are evident at many of the institutions, including soft enrollment demand, decreases in instructional expenditures, and increases in institutional financial aid expenditures.

In order to provide a policy context for interpretation of these financial data, the report reviews State policy issues affecting the independent sector and recommends a policy framework for the Commission's future studies of that sector.

The report concludes that the role and contributions of independent institutions in meeting the State's policy goals should be integrated into all of the Commission's planning, policy, and program review work.

The Commission adopted this report at its meeting on December 12, 1988, on recommendation of its Policy Evaluation Committee. Additional copies of the report may be obtained from the Library of the Commission at (916) 322-8031. Questions about the substance of the report may be directed to Andrew Chang of the Commission staff at (916) 322-8005.

THE FOURTH SEGMENT

Accredited Independent Postsecondary Education in California

The Fifth in a Series of Reports on the Financial Condition of California's Regionally Accredited Independent Colleges and Universities

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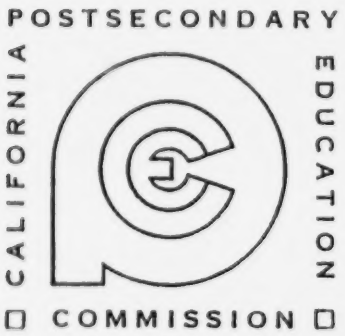

COMMISSION REPORT 88-40
PUBLISHED DECEMBER 1988

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1 *Overview and Summary*

THIS is the latest in a series of five reports prepared by the California Postsecondary Education Commission since 1977 on the subject of the financial health of independent postsecondary education in California. These reports, mandated by the Commission's enabling legislation (Assembly Bill 770 of 1973), are to summarize financial conditions and enrollments and "include recommendations concerning state policies and programs having a significant impact on independent institutions."

Although nominally about the financial condition of the entire independent sector of postsecondary education, the reports have provided information on a sample of regionally accredited non-profit independent institutions, all of which belong to the Association of California Independent California Colleges and Universities (AICCU). This focus has been a reasonable one, since these institutions have historically received approximately 95 percent of the State's financial aid going to its independent institutions and are responsible for about 90 percent of the undergraduate degrees produced by California's regionally accredited independent institutions.

Categorization of institutions

The object of the reports is not to comment explicitly on the financial condition of any particular institution but to discuss the condition of the sector in general. In order to do so, the reports have presented data on a sample of AICCU member institutions, arranged into these seven broad categories:

- Group One: Doctoral Research Universities (those with substantial graduate enrollment, research activity, and a variety of doctoral programs);
- Group Two: Comprehensive Colleges and Universities I (with full-time-equivalent enrollments above 3,500);
- Group Three: Comprehensive Colleges and Universities II (with full-time-equivalent enrollments below 3,500);
- Group Four: Liberal Arts Colleges I (with substantial endowments);
- Group Five: Liberal Arts Colleges II (with full-time-equivalent enrollments between 800 and 2,000);
- Group Six: Liberal Arts Colleges III (with full-time-equivalent enrollments less than 800); and
- Group Seven: Specialized Institutions.

Display 1 on pages 2-3 lists all 57 institutions sampled for this report in terms of these categories and includes general enrollment and student financial data about them.

Evidence of financial stress

The previous reports have found some evidence of financial stress in the sector, particularly among Groups Two through Seven. The stress has manifested itself in several ways, notably in a decline in gifts and grants income, a decrease in institutional expenditures for instruction, fluctuations in enrollment, and an increase in institutional financial aid. The earlier reports have been inconclusive about the role of State financial aid contributing to the financial stress of these institutions, but have generally sounded a note of caution about the need for State or federal aid to increase in order for these institutions to reduce their increased commitment of funds for institutional aid.

The information on the financial condition of these institutions presented in Part Two of this report again shows a mixed picture. Generalizations about these institutions are hard to come by, even within the broad categories, but signs of financial stress are evident in many of the categories of institutions, ranging from soft enrollment demand to a decline in expenditures for instruction and increased expenditures for institutional financial aid. This bad news is offset by evidence that enrollments are stable for some institutions, State-funded financial aid was in-

DISPLAY 1 Regionally-Accredited Non-Profit Independent Institutions Surveyed for the Report

Category and Institution	Location	Fall 1987 Full-Time Under-graduates	Fall 1987 Part-Time Under-graduates	Fall 1987 Full-Time Grad. Students	Fall 1987 Part-Time Grad. Students	Fall 1987 Student/ Faculty Ratio	1988-89 Tuition and Fees	1987-88 Total Amount of Cal Grant Awards
Group One: Doctoral Research Universities								
California Institute of Technology	Pasadena	859		963		3:1	$11,789	$495,880
Claremont Graduate School	Claremont			331	1,292	7:1	480*	
Stanford University	Stanford	6,575		5,285	1,436	10:1	12,564	2,787,952
University of Southern California	Los Angeles	14,490	1,684	5,454	8,873		12,466	11,217,057
Group Two: Comprehensive Colleges and Universities I (With FTE Above 3,500)								
Golden Gate University	San Francisco	416	1,658	1,202	6,762	13:1	4,128	103,000
Loma Linda University	Loma Linda	1,896	426	1,214	651	15:1	7,350	1,900,000
Loyola Marymount University	Los Angeles	3,616	430	1,934	450		8,615	3,555,836
National University	San Diego	2,251	5,844	3,871	1,327	18:1	108*	1,731,800
Pepperdine University	Malibu	2,287	553	2,379	1,459	15:1	12,100	1,347,142
Santa Clara University	Santa Clara	3,527	125	1,138	2,762	14:1	8,784	2,220,000
University of San Diego	San Diego	3,283	209	1,179	989	18:1	8,550	2,055,000
University of San Francisco	San Francisco	2,668	246	1,090	803	16:1	8,350	1,181,635
University of the Pacific	Stockton	3,186	224	236	293	13:1	12,288	4,245,000
Group Three: Comprehensive Colleges and Universities II (With FTE Below 3,500)								
Azusa Pacific University	Azusa	1,365	165	329	877	19:1	7,240	1,050,000
Biola University	La Mirada	1,734	147	392	388	14.5:1	7,436	1,551,457
Chapman College	Orange	1,400	204	141	408	12:1	10,600	778,960
St. Mary's College of California	Moraga	2,210	165	491	299	16:1	8,566	1,310,000
United States International University	San Diego	675	136	1,003	765	16:1	7,980	297,765
University of La Verne	La Verne	1,491	1,828	985	1,224	17:1	8,390	1,620,206
Group Four: Liberal Arts Colleges I (With Substantial Endowments)								
California Institute of the Arts	Valencia	587	3	267	4	7:1	9,250	380,000
Claremont McKenna College	Claremont	849	8			11:1	11,870	493,120
Harvey Mudd College	Claremont	539	8	14	1	8:1	11,590	339,020
Mills College	Oakland	761	48	195	51	9.2:1	11,290	1,024,630
Occidental College	Los Angeles	1,644	17	10	6	12:1	12,078	1,479,560
Pitzer College	Claremont	742	43			13:1	12,986	620,676
Pomona College	Claremont	1,407				10:1	12,000	912,209
Scripps College	Claremont	571	17			9:1	11,800	385,030
University of Redlands	Redlands	2,476	28	408	26	12:1	11,050	2,170,600
Whitter College	Whitter	988	36	259	288	13:1	10,782	950,500

(continued)

DISPLAY 1 (continued)

Category and Institution	Location	Fall 1987 Full-Time Undergraduates	Fall 1987 Part-Time Undergraduates	Fall 1987 Full-Time Grad. Students	Fall 1987 Part-Time Grad. Students	Fall 1987 Student/ Faculty Ratio	1988-89 Tuition and Fees	1987-88 Total Amount of Cal Grant Awards
Group Five: Liberal Arts Colleges II (With FTE Between 800 and 2,000)								
California Lutheran University	Thousand Oaks	1,143	236	84	790	14:1	$8,350	$847,497
John F. Kennedy University	Orinda	82	619	516	789	25:1	102*	94,979
Mount St. Mary's College	Los Angeles	929	142	38	183	12:1	8,140	1,330,000
Northrop University	Los Angeles	482	144	178	207	23:1	9,390	270,000
Pacific Union College	Angwin	1,300	192			13:1	7,320	1,376,581
Point Loma Nazarene College	San Diego	1,579	136	215	147	18:1	6,182	942,862
West Coast University	Los Angeles	477	105			12:1	6,750	14,230
Westmont College	Santa Barbara	1,266				17:1	8,670	900,000
Group Six: Liberal Arts Colleges III (With FTE Below 800)								
California Baptist College	Riverside	515	102	28	14	12:1	5,088	336,098
Christ College Irvine	Irvine	519	50			17:1	6,375	359,730
College of Notre Dame	Belmont	378	221	96	366	10:1	7,700	182,803
Dominican College	San Rafael	341	100	108	165	10:1	7,925	224,340
Fresno Pacific College	Fresno	479	125	6	289	14:1	6,230	650,200
Holy Names College	Oakland	182	175	110	150	8:1	7,370	140,020
Marymount College	Palos Verdes	795	275			13:1	7,810	109,960
The Master's College	Newhall	616	38	11		16:1	4,950	427,060
Menlo College	Atherton	623	12			14:1	10,550	29,975
Pacific Christian College	Fullerton	341	89	39	100	18:1	4,205	160,508
Simpson College	San Francisco	150	15	15	18	10:1	4,904	172,505
Southern California College	Costa Mesa	724	137	22	40	18:1	5,402	658,118
Woodbury University	Burbank	562	140	44	42	12:1	7,626	393,387
World College West	Petaluma	100	7			12:1	7,100	196,000
Group Seven: Specialized Institutions								
College of Arts and Crafts	Oakland	718	325	30	27	7:1	7,760	608,703
Cogswell College	Cupertino	96	153			10:1	5,800	49,160
Humphrey's College	Stockton	189	193			11:1	3,234	84,575
Monterey Institute of International Studies	Monterey	87	3	367	80	10:1	8,988	17,845
San Francisco Conservatory of Music	San Francisco	126	21	57	13	5.5:1	7,350	76,000
Southern California College of Optometry	Fullerton			379		8:1	10,050	

* Indicates amount charged per unit.

Source: Association of California Independent California Collegs and Universities, 1988.

creasing between 1984-85 and 1986-87, and most institutions are in the black. In fact, enrollments among the 57 institutions grew between 1982 and 1986 by just under 5 percent, as compared to an increase of nearly 7 percent for the University of California, less than 4 percent for the State University, and a decline of nearly 15 percent in the Community Colleges.

These financial data are of limited use, however, because they lack a policy context in which they can be interpreted. One reason for this lack of context is that the State has never clearly enunciated its policy objectives with respect to the independent segment other than in general terms of support for students having the option to choose to attend an independent institution. Although this goal of choice may be intrinsically valuable, the State has never been clear about *why* it is valuable. Thus, the report concludes with a review of the major policy issues affecting the independent sector and offers a framework within which the Commission's future work on the independent sector should be conducted.

In Part Four, the Commission recommends that the policy issues be considered within an educational, rather than an institutional context. To do this, the Commission must be prepared to integrate information about the role and contributions of independent institutions into all of its planning, policy and program review work. Also in Part Four, the Commission considers whether California's current law on private postsecondary education, which at the present time demarcates institutions according to their accredited status, should be recast to be more descriptive about the educational roles of these institutions -- an issue that the Commission will address in its review of the Private Postsecondary Education Act of 1977 that is scheduled to take place in Spring 1989.

Organization of the remainder of the report

The following sections of the report are organized as follows:

- Part Two presents information on the financial condition of selected groups of accredited independent institutions, presented in a way to allow comparisons with previous Commission reports.
- Part Three reviews existing State policy with respect to accredited independent institutions.
- Part Four presents a proposed policy agenda for future Commission work on the subject of the accredited independent sector.

2 *The Financial Condition of Selected Independent Institutions*

THIS section of the report presents information on the financial condition of the 57 institutions listed in Display 1 in terms of these eight indicators:

1. Fall enrollment,
2. Degrees awarded,
3. Net revenue ratio,
4. Tuition and fees contribution ratio,
5. Gifts and grants ratio,
6. Instructional costs ratio,
7. Institutional financial aid expenditures, and
8. State financial aid revenues.

The information is presented in a manner that allows trend comparisons with previous Commission reports on the subject.

Framework for the analysis

It is difficult to generalize about all of California's regionally accredited non-profit independent institutions because they are so diverse, ranging from internationally known research universities to small liberal arts colleges and specialized professional schools. Conclusions can more easily be drawn about groups of somewhat similar institutions, and as has been the case with previous Commission reports on the topic, this report aggregates available data into the seven broad categories of institutions shown earlier in Display 1.

For the report, the Commission collected raw data on each of the 57 institutions from the annual Higher Education General Information Survey (HEGIS) and the Integrated Postsecondary Education Data System Survey (IPEDS) of the United States Department of Education. It supplemented these data with additional information provided by the Association of Independent California Colleges and Universities. It then converted the dollar and enrollment figures of each institution into percentages, ratios, and average indicators for each of the seven categories, in order to make general trend analysis.

Fall enrollment

Information on the fall enrollments of independent institutions for 1983 through 1986 appears in Display 2 on page 6 as a percentage of Fall 1982 enrollments, with those 1982 enrollments indexed as 100. As can be seen, overall enrollments have been steady, and except for the specialized institutions of Group Seven, all groups have had enrollment growth at almost every level. Among several categories of institutions, however, there are signs of softness in undergraduate enrollments that have been offset in some cases with graduate enrollment growth, which has been particularly pronounced in Groups Three, Five, Six and Seven.

Group Two (Comprehensive Universities with FTE above 3,500) had evident losses in first-time freshman enrollment over the years, whereas Group Four (High-Endowment Colleges) showed consistent increases in both first-time freshmen and full-time student enrollments. In many instances, particularly in Groups Two and Three, softness in demand from first-time freshmen seems to have been offset with a large increase in transfer students.

It is not entirely clear to what extent undergraduate enrollment problems are a function of short-term demographic problems or of the failure of State and federal financial aid to keep pace with the costs of attendance at independent institutions. Probably both variables are at work: Most independent institutions have historically served the 18-to-24-year-old undergraduate population and have not been able to expand enrollments of older and part-time undergraduate students to make up the slack. In fact, the independent institutions have continuously sought to increase the number of out-of-state stu-

DISPLAY 2 *Fall Enrollment of California's Independent Institutions by Group, 1982 Through 1986, as Percentages of 1982 Index Number of 100*

Group	Fall	First-Time Freshmen	Full-Time Undergraduates	Part-Time Undergraduates	Total Graduate Students	Total Full-Time Students	Total Part-Time Students	Total Enrollment
	1982	100	100	100	100	100	100	100
One:	1983	101	99	101	100	101	100	100
Doctoral	1984	104	103	94	105	103	102	103
Research	1985	105	104	97	103	105	103	104
Universities	1986	104	106	127	108	105	97	102
Two:	1983	94	101	110	100	100	102	101
Comprehensive	1984	85	104	98	87	102	101	102
Colleges and	1985	87	105	110	88	104	99	102
Universities I	1986	83	108	148	104	108	102	106
Three:	1983	111	104	103	105	105	107	106
Comprehensive	1984	130	112	122	115	106	127	113
Colleges and	1985	137	110	115	120	108	120	112
Universities II	1986	99	112	138	122	103	106	104
Four:	1983	105	100	72	114	102	96	101
Liberal Arts	1984	104	100	73	83	101	92	100
Colleges I	1985	103	103	57	98	104	74	101
	1986	109	105	58	104	105	41	100
Five:	1983	102	104	128	141	106	140	115
Liberal Arts	1984	108	103	89	134	110	126	115
Colleges II	1985	110	102	109	141	111	124	114
	1986	96	105	138	190	116	127	119
Six:	1983	104	105	109	110	104	109	105
Liberal Arts	1984	101	102	114	99	98	119	104
Colleges III	1985	100	114	132	94	101	93	98
	1986	116	116	136	164	113	115	114
Seven:	1983	123	97	122	102	96	77	93
Specialized	1984	142	83	149	104	90	128	96
Institutions	1985	97	76	156	110	86	137	95
	1986	133	84	222	144	79	61	76

Source: California Postsecondary Education Commission staff analysis of HEGIS, IPEDS, and AICCU data.

dents to make up for the losses of California resident students, so as to maintain or keep up the level of enrollments. According to AICCU data, the percentage of the undergraduates who were California residents in its member institutions dropped 10 percent from 71 percent in 1976 to 61 percent in 1986. At the same time, the "tuition-gap" between public and independent institutions in 1984-85 was $6,300, but by 1986-87, it had become $7,600; and while Cal Grant aid had increased, these increases failed to keep pace with the rising costs at independent institutions. Consequently these institutions had to increase their institutional financial aid in order to draw more students.

During the five-year period between 1982 and 1986, these 57 independent colleges and universities have overall made steady progress in their enrollments, as Display 3 below shows, with their number of full-time students increasing by 6.5 percent and their total headcount enrollment growing by 4.9 percent. This enrollment picture compares quite favorably with that for the public sector, where overall full-time-equivalent enrollment increased 6.9 percent at the University but only 3.6 percent at the State University, and where average daily attendance declined nearly 15 percent among Community Colleges.

Degrees awarded

Display 4 on page 8 shows the number of degrees awarded by the independent institutions during 1979-80 and 1985-86. Over a period of six years, the total degrees conferred increased by 5.5 percent. Within this increase, the greatest percentage growth occurred among doctoral degrees, where total degrees awarded increased by over 200, or nearly 20 percent. Almost all of these increases came in Groups Two and Three -- the Comprehensive Colleges and Universities -- and not from the doctoral research universities of Group One, where doctoral production increased only very slightly.

The total percentage of bachelor's degrees also increased -- by 7.6 percent; but this increase was uneven among groups. Within the seven categories, Groups Three, Four, and Six all decreased in their total number of bachelor's degrees awarded. The greatest decline occurred in Group Four -- the liberal arts colleges with substantial endowments. It may have been the result of one institution which shifted its off-campus bachelor's programs to graduate programs. This group also experienced a substantial decline in master's degree production, down by over 300 degrees for a 46 percent drop.

DISPLAY 3 Fall Enrollments in Independent and Public Institutions, 1982 and 1986

Segment and Type of Enrollment Data	Fall 1982	Fall 1986	Change
Independent Institutions			
Full-Time Headcount Enrollment	109,322	116,445	+6.5%
Part-Time Headcount Enrollment	51,533	52,219	+1.3%
Total Headcount Enrollment	160,855	168,664	+4.9%
University of California			
Full-Time-Equivalent Enrollment	128,035	136,928	+6.9%
The California State University			
Full-Time-Equivalent Enrollment	239,927	248,456	+3.6%
California Community Colleges			
Average Daily Attendance	750,715	639,074	-14.9%

Source: Commission staff analysis of HEGIS, IPEDS and AICCU data, and Legislative Analyst's Analysis of the 1987-88 Budget.

DISPLAY 4 Degrees Conferred by California's Independent Institutions, 1979-80 and 1985-86

Group	Year and Percent Change	Associate	Bachelor's	Master's	First Professional	Doctoral	Total Degrees
One:	1979-80	0	4,239	4,995	865	1,116	11,215
Doctoral	1985-86	0	4,642	5,004	872	1,144	11,661
Research	Percent Change	0	+9.5%	+0.1%	+0.6%	+2.5%	+3.9%
Universities							
Two:	1979-80	282	6,038	5,846	2,343	89	14,598
Comprehensive	1985-86	527	7,066	5,929	2,106	132	15,760
Colleges and	Percent Change	+86.8%	+17.0%	+1.4%	-10.1%	+48.3%	+7.9%
Universities I							
Three:	1979-80	220	2,776	1,892	156	39	5,083
Comprehensive	1985-86	155	2,691	2,487	178	211	5,722
Colleges and	Percent Change	-29.5%	-3.0%	+31.4%	+14.1%	+441.0%	+12.5%
Universities II							
Four:	1979-80	0	3,088	759	106	0	3,953
Liberal Arts	1985-86	0	2,708	408	120	0	3,236
Colleges I	Percent Change	0	-12.3%	-46.2%	+13.2%	0	-18.1%
Five:	1979-80	317	1,118	866	46	0	2,347
Liberal Arts	1985-86	227	1,479	1,036	95	0	2,837
Colleges II	Percent Change	-28.3%	+32.2%	+19.6%	+106.5%	0	+20.8%
Six:	1979-80	310	1,133	253	0	0	1,696
Liberal Arts	1985-86	231	1,100	325	0	0	1,656
Colleges III	Percent Change	-25.4%	-2.9%	+28.4%	0	0	-2.3%
Seven:	1979-80	53	253	110	118	0	534
Specialized	1985-86	60	394	188	105	0	747
Institutions	Percent Change	+13.2%	+55.7%	+70.9%	-11.0%	0	+39.8%
Total	1979-80	1,182	18,645	14,721	3,634	1,244	39,426
Independent	1985-86	1,200	20,080	15,377	3,475	1,487	41,619
Institutions	Percent Change	+1.5%	+7.6%	+4.4%	-4.3%	+19.5%	+5.5%

Source: California Postsecondary Education Commission staff analysis of HEGIS data.

The independent institutions showed an overall decline in professional degrees during this period with a large decrease of 237 degrees in Group Two.

Net revenue ratio

Net revenue ratio is the percentage of total current revenues represented by the difference between those current revenues and total current expenditures. Since the ratio indicates the ability of an institution to balance its revenues and expenditures, a positive ratio reveals a sign of good financial condition. Because the ratio is a percentage relationship, it permits comparisons of one year with others, regardless of inflation or other factors that vary from year to year.

Display 5 below indicates the average net revenue ratios for each of the seven groups of California's independent institutions in fiscal years 1984, 1985 and 1986. During these years, the institutions in general maintained a positive net revenue ratio. The decrease of the total ratio from 3.33 percent of 1985 to 0.68 percent of 1986, however, indicates that the margin between revenues and expenditures has narrowed. It may not be a serious alarm but may mask more serious problems in some institutions that these data do not reveal.

Groups One, Two, Four, and Seven all show a decreasing net revenue ratio in 1986-87, while Groups Three, Five and Six seem to be moving to an increase of the ratio. Especially for Groups Five and Six, the ratios indicate that these institutions are trying very hard to slowly get out of the negative, although they are still in a relatively weak position.

Tuition and fees contribution ratio

The tuition and fees contribution ratio is the percentage of income from total tuition and fees against the total educational and general expenditures. Revenues and expenditures for auxiliary enterprises, independent operations, and capital outlay are not included.

Theoretically, this ratio should be decreasing over time as other sources of revenues, such as gifts and endowment, are developed to contribute to the educational and general expenditures. Enrollment decline and loss of flexibility in tuition pricing may also account for a ratio decrease.

As Display 6 on the top of page 10 shows, the 57 reporting institutions experienced a slight decrease on the tuition and fees contribution ratio during the period of 1984 to 1987, although a few institutions

DISPLAY 5 Net Revenue Ratio of Independent Institutions in Fiscal Years 1984-85 Through 1986-87

Group	1984-85	1985-86	1986-87
One: Doctoral Research Universities	2.17%	3.04%	0.42%
Two: Comprehensive Universities I	3.69	2.48	1.28
Three: Comprehensive Universities II	1.74	1.02	2.57
Four: Liberal Arts Colleges I*	7.69	12.73	1.12
Five: Liberal Arts Colleges II	-1.71	0.64	1.15
Six: Liberal Arts Colleges III	-0.93	-0.36	0.21
Seven: Specialized Institutions	5.69	3.86	-1.47
Total Independent Institutions	2.56	3.33	0.68

*The high ratios of Group Four in 1984 and 1985 were results of large amounts of donations for fund-raising campaigns at a few colleges in that group.

Source: Commission staff analysis of HEGIS, IPEDS and AICCU data.

DISPLAY 6 Tuition and Fees Contribution Ratio of Independent Institutions in Fiscal Years 1984-85 Through 1986-87

Group	1984-85	1985-86	1986-87
One: Doctoral Research Universities	45.60%	45.42%	43.19%
Two: Comprehensive Universities I	79.31	77.96	78.16
Three: Comprehensive Universities II	79.65	79.34	78.59
Four: Liberal Arts Colleges I	61.55	60.73	59.16
Five: Liberal Arts Colleges II	73.35	75.61	78.27
Six: Liberal Arts Colleges III	64.29	64.10	63.38
Seven: Specialized Institutions	63.48	66.64	66.49
Total Independent Institutions	59.93	59.78	58.33

Source: Commission staff analysis of HEGIS, IPEDS and AICCU data.

continue to rely heavily (over 90 percent) on tuition and fees as a major source of revenues for their expenditures. Groups Two, Three, and Five have been higher on this indicator than other groups. The total ratio average of less than 60 percent indicated that the institutions in general are finding other sources of revenues to supplement income from tuition and fees.

Gifts and grants ratio

The gifts and grants ratio indicates the percentage of institutions' educational and general expenditures consisting of current revenues from gifts and private grants, including income from endowment and other long-term accounts as it becomes available for current expenditure. It indicates the extent to which private gifts and grants contribute to educational and general expenditures.

The data presented in Display 7 at the top of page 11 show that the 57 institutions have generally maintained about the same level of ratio on this indicator. It may mean that their gifts and grants revenues do not keep up with inflation over time. It is hard to tell from these data what is really going on, as large swings may occur from year to year because of one-time donations, fund drives, or other aberrations.

In contrast to Groups Two and Three, Groups Six and Seven demonstrated an increase trend on this indicator.

Instructional costs ratio

The instructional costs ratio indicates the percentage of educational and general expenditures represented by direct expenditures for instruction. It shows indirectly the ability of an institution to maintain current levels of quality in educational programs.

The fact that all groups show a declining trend in this area from 1984 to 1986 (Display 8, on page 11) may again indicate that many of these institutions were experiencing difficulty in maintaining faculty salary levels and in improving educational quality.

Institutional financial aid expenditures

The financial aid situation of independent institutions is the variable that is most closely monitored by the State. As Display 9 on page 12 shows, institutional financial aid expenditures continued to increase among all groups of independent institutions between 1984-85 and 1986-87, although in 1986-87 their rate of increase fell in six of the seven categories, as compared to 1985-86. As the State increases

DISPLAY 7 Gifts and Grants Ratio of Independent Institutions in Fiscal Years 1984-85 Through 1986-87

Group	1984-85	1985-86	1986-87
One: Doctoral Research Universities	19.52%	21.48%	18.38%
Two: Comprehensive Universities I	5.68	6.06	6.83
Three: Comprehensive Universities II	7.10	7.36	7.79
Four: Liberal Arts Colleges I	21.88	31.63	17.17
Five: Liberal Arts Colleges II	11.83	13.69	10.80
Six: Liberal Arts Colleges III	18.08	18.87	20.44
Seven: Specialized Institutions	8.51	19.75	14.89
Total Independent Institutions	14.87	16.99	14.36

Source: Commission staff analysis of HEGIS, IPEDS, and AICCU data.

its financial aid to students attending independent institutions, these trends should be monitored closely.

State financial aid revenues

State financial aid revenues increased to all groups of institutions for a total increase of 21.3 percent from 1984-85 to 1986-87 (Display 10 on page 12). The increase in state aid was evidently not enough to stem the tide of increases in institutional financial aid however. As State financial aid has increased only marginally since 1987, the gap between the two is expected to become even wider.

DISPLAY 8 Instructional Costs Ratio of Independent Institutions in Fiscal Years 1984-85 Through 1986-87

Group	1984-85	1985-86	1986-87
One: Doctoral Research Universities	49.28%	48.54%	44.75%
Two: Comprehensive Universities I	38.96	37.36	36.75
Three: Comprehensive Universities II	43.78	43.76	41.85
Four: Liberal Arts Colleges I	32.89	32.41	30.08
Five: Liberal Arts Colleges II	32.15	31.13	31.46
Six: Liberal Arts Colleges III	30.30	30.56	29.68
Seven: Specialized Institutions	38.22	40.75	38.76
Total Independent Institutions	43.27	42.35	40.05

Source: Commission staff analysis of HEGIS, IPEDS and AICCU data.

DISPLAY 9 Institutional Financial Aid Expenditures, 1984-85 Through 1986-87, in Thousands of Dollars

Group	Financial Aid Expenditures			Percent Change		
	1984-85	1985-86	1986-87	1984-85 to 1985-86	1985-86 to 1986-87	1984-85 to 1986-87
One: Doctoral Research Universities	$79,082	$89,599	$97,993	13.30%	9.37%	23.91%
Two: Comprehensive Universities I	35,657	41,436	45,990	16.21	10.99	28.98
Three: Comprehensive Universities II	8,633	9,612	11,152	11.34	16.02	29.18
Four: Liberal Arts Colleges I	19.019	23,445	27,241	23.27	16.19	43.23
Five: Liberal Arts Colleges II	6,774	7,893	8,188	16.52	3.47	20.88
Six: Liberal Arts Colleges III	6,265	7,117	7,833	13.60	10.05	25.03
Seven: Specialized Institutions	746	933	1,025	25.13	9.76	37.34
Total Independent Institutions	156,896	180,035	199,362	14.7	10.7	27.0

Source: Commission staff analysis of AICCU data provided by institutions.

DISPLAY 10 Cal Grant A and B Revenues, 1984-85 Through 1986-87, in Thousands of Dollars

Group	Financial Aid Expenditures			Percent Change		
	1984-85	1985-86	1986-87	1984-85 to 1985-86	1985-86 to 1986-87	1984-85 to 1986-87
One: Doctoral Research Universities	$13,760	14,987	15,520	8.9%	3.5%	12.7%
Two: Comprehensive Universities I	13,717	15,304	16,884	11.5	10.3	23.0
Three: Comprehensive Universities II	5,429	6,520	6,839	20.0	4.8	25.9
Four: Liberal Arts Colleges I	6,969	7,934	8,175	13.8	3.0	17.3
Five: Liberal Arts Colleges II	4,893	5,719	6,105	16.8	7.5	25.6
Six: Liberal Arts Colleges III	2,772	3,419	3,937	23.3	15.1	42.0
Seven: Specialized Institutions	697	965	983	38.4	1.8	41.0
Total Independent Institutions	48,183	54,848	58,488	13.8	6.6	21.3

Source: Commission staff analysis of data provided by the California Student Aid Commission.

3 State Policy and Independent Postsecondary Education

State law and private postsecondary education

Attention to the State policy framework under which independent postsecondary education is demarcated must begin with some attention to the law and the terms under which independent postsecondary education is defined. Under current State law, there is no legal distinction between the terms *independent* and *private*. As a practical matter, however, among California educators the word *independent* has come to mean regionally accredited non-profit degree-granting institutions such as those that belong to the Association of Independent California Colleges and Universities (AICCU) -- rather than profit-making or proprietary institutions that are ineligible for AICCU membership. AICCU member institutions are the focus of the Commission's reports on the financial condition of independent postsecondary education, but a comprehensive look at non-State-supported postsecondary education would require a broader scope, since that landscape is much broader than merely the AICCU institutions.

Privately supported postsecondary education in California encompasses a wide and diverse variety of institutions. In all, over 2,300 non-State-supported postsecondary institutions operate in California -- only 15 percent of them degree granting. Of this 15 percent, less than 60 percent -- approximately 195 -- are accredited or candidates for accreditation by agencies recognized by the United States Secretary of Education. The remaining 40 percent of the degree-granting institutions operate in California under authorization or approval of the State Superintendent of Public Instruction.

Of California's 195 private accredited degree-granting institutions, 125 are accredited by its regional accrediting agency -- the Western Association of Schools and Colleges (WASC), the remainder being accredited by specialized accrediting agencies. Of these 125 regionally accredited institutions, four are proprietary (for profit). Thus, of the 121 regionally accredited, non-profit institutions, 64 are members of AICCU and enroll approximately 95 percent of the students who are enrolled at such institutions. Virtually all of the non-AICCU members are schools offering specialized instruction -- such as the Academy of Art College, American Film Institute, Brooks Institute of Photography, and the California College of Podiatric Medicine, just to name a few. The majority of the AICCU institutions are comprehensive colleges and universities offering the full spectrum of academic subjects and disciplines.

California's current state law on independent or private postsecondary education classifies these institutions according to their status as accredited or not accredited. Although this classification according to accreditation implies a difference in institutional scope and quality between accredited and non-accredited institutions, that distinction is not specifically made in the law. The Commission is currently undertaking a review both of the accreditation function as it applies to private postsecondary education and of the Private Postsecondary Education Act and how it has operated with respect to non-accredited institutions.

Statewide planning and the private educational sector

Statewide planning for postsecondary education in California has overwhelmingly focused on *public* postsecondary education. To the extent that planning has been extended to private postsecondary education, it has centered on financial aid and the role of aid in providing student access to regionally accredited non-profit postsecondary education.

Until the 1987 review of the Master Plan, the subject of independent or private postsecondary education was not the focus of State planning, largely perhaps because so much of State policy and planning re-

garding postsecondary education centers around budgetary issues, and the State Constitution prohibits direct State support to private institutions under Article IX, Section 8, as does Article XVI, Section 3. Partly because of this constitutional prohibition, as well as for other reasons, the State has chosen to provide support attached to students rather than institutions in the form of State financial aid. The policy goal of the State's financial aid programs has always been two-fold, to provide students with both "access" to postsecondary education and the opportunity to choose which institution to attend. It is thus the student consumer, rather than the State, who is the operative determinant of the distribution of financial aid resources, and the State has historically resisted changing that policy to recognize or make explicit an institutional obligation.

In its final report, the Commission for the Review of the Master Plan for Higher Education acknowledged the relative silence of State planning with respect to independent postsecondary education, while calling for more explicit attention to the accredited private sector as a significant piece of the total educational system (1987, p. 3).

> The 1960 Master Plan said little about the role of postsecondary schools, colleges and universities in the accredited private sector. Since then, the accredited private sector has also grown rapidly and can no longer be left out of the plan. In the coming years, the state must acknowledge the accredited private institutions' ability to shoulder much of the increasing demand for educational services, and the accredited private institutions must be encouraged to accept that responsibility as partners in a unified enterprise.

The Commission for the Review of the Master Plan found that the maximum grant available under the Cal Grant A award had failed to keep pace with increased student costs at independent institutions, thus diluting the option of choice for many of California's neediest students. That Commission recommended that the State ensure that choice be a viable option, by setting the maximum grant at a level to equal the average full operating cost to the State for the California State University and the University of California. This amount was selected in part because the Commission for the Review of the Master Plan agreed that choice should be an option so long as the cost to the State regarding choice was equal to what it would be if the student chose to attend a public institution. According to the cost estimates prepared by the staff of that Commission, the full average operating cost to the State to send a student to the State University was $5,000, and the amount for the University was $9,000, for an average figure of $7,000. In several other places, the Master Plan Review Commission argued that, through the mechanism of State financial aid, the State could choose to expand student capacity in the private sector at reduced cost to taxpayers rather than accommodating growth in the public sector.

The Legislature's Joint Committee for Review of the Master Plan has endorsed the recommendations of the Master Plan Review Commission with respect to independent postsecondary education and financial aid in its draft report, *California Faces . . . California's Future*. That draft notes, however, a lack of specificity in that Commission's term *full operating cost* as the basis for setting the maximum award and thus recommends that the Student Aid Commission, in conjunction with the Postsecondary Education Commission and the public segments, seek agreement on a mutually acceptable costing mechanism for undergraduate instruction. The Joint Committee's draft report also contains a note of concern that the priority of maintaining financial aid as an entitlement to all students eligible to attend the University and the State University should not deter from the priority of maintaining aid to students in the Community Colleges (1988, pages 58-60).

The Joint Committee's recommendation has been pre-empted by pressures for a more immediate resolution of some of these issues as a result of State budget pressures. In the 1988-89 budget, Governor Deukmejian recommended a 24 percent increase in the maximum award for students attending independent institutions, justified on the basis that this increase would reduce enrollment pressure on the public segments and thus save the State capital outlay funding.

The Legislative Analyst argued there should be a policy rationale for increasing the maximum award for students attending independent institutions. If the policy was to be based on maximizing the option of student choice of which institution to attend, the Analyst agreed that the Master Plan Review Commission's recommendation to base the maximum award on the average cost of educating an undergraduate student at the University or State Uni-

versity was analytically correct. She pointed out, however, that it would then cost the state *more* for financial aid for students at independent institutions than to support them in a public institution, since additional students who choose to attend public institutions are budgeted on an marginal cost basis rather than on an average cost-per-student basis. If the policy basis for the award amount is to save the State money while still providing some choice among institutions, the Analyst argued that the analytically correct amount for the maximum award would be the marginal cost of educating a student at the University or State University. The Analyst calculated that the correct average cost figure at between $14,000 and $16,000 for the University and between $6,000 and $7,000 at the State University. On the other hand, she estimated the marginal cost figure to be $5,380 at the University and $3,600 at the State University.

In the course of the budget deliberations, the Legislature determined that it preferred to increase funding for the maximum award in a balanced increase of aid to all needy students, and it deferred the question of the methodology for setting and increasing the maximum award to an interim study of the issue to be jointly convened by the Student Aid Commission and the Postsecondary Education Commission. (A copy of the language directing that group is included as the appendix to this report.) As of this writing, that group has not completed its work. It is struggling to come up with analytically defensible definitions of average, full, and marginal costs -- a task that will prove to be a difficult one.

4 *A Policy Framework for the Future*

THE financial information in Part Two has historically been the focus of the Commission's report on the independent sector. In spite of its historic value, however, this information lacks a policy context in which it can be meaningfully evaluated. The Commission has recently made a better integration and understanding of the independent sector one of its highest planning priorities, and as it seeks to do so, the policy framework in which that discussion should take place needs to be clear.

As noted in Part Three, State policy with respect to independent postsecondary education has generally been enunciated in the context of financial aid. There, the priority has been to give students the economic option to choose to attend an independent institution. The arguments put forward in support of this policy have been made on the basis of cost -- that the State could support student attendance at an independent institution at lower cost than in the public sector. As the State looks to the potential need to expand the number of campuses in the public sector, the possibility of making greater use of the independent sector as an alternative becomes more attractive.

As the Commission reacts to this policy goal, it is concerned that the cost arguments are not the most compelling reasons for State support of the goal of choice. It is true that the State can theoretically support a Cal Grant award to a student at an independent institution at lower cost than it would cost the State for the student to attend the public sector. However, unless the State decides not to maintain its historic policy of finding a public spot for all qualified students, the trade-off will never be enforced. Also, many independent institutions are small by choice and will not want to grow infinitely to pick up excess demand from the public sector.

Continued support of financial aid to needy students who wish to attend regionally accredited independent institutions makes good sense for the State, not just for reasons of cost, but for educational and economic reasons. As documented elsewhere in Commission reports, these institutions make important contributions to the State's goals of educational equity, both in terms of access through enrollments, success in reaching the baccalaureate degree, and in serving Community College transfer students. Many of these institutions by their nature present an important educational option for students because they are small, have much lower student/faculty ratios than public institutions, and offer specialized curricula. While the shape, scope and quality of California's public postsecondary educational institutions knows no peer, it is indisputable that the educational environment available in many of its independent institutions is not available in the public sector. Finally, the independent sector makes important economic as well as educational contributions to the State. As the Commission noted in its 1984 report, *The Wealth of Knowledge*, the independent educational sector is one of the largest private employers in the State and makes important regional contributions in the communities where institutions are located.

The Commission believes that the contributions of the independent sector should be understood in the context of the role that these institutions play in meeting the State's policy goals for postsecondary education. Thus, the Commission needs to ensure that its reports on all aspects of postsecondary education -- college going rates, transfer, graduation, educational diversity, vocational education, graduate education -- include proper attention to the role of the accredited independent sector in meeting those goals. The Commission is committed as well to incorporating attention to the role of the accredited independent sector into its long-range planning work.

The Commission plans to address the issue of the adequacy of its reports on the financial condition of these institutions and whether these reports should be continued into the future. Its staff believes that this issue involves two elements: the need for a comprehensive report on the educational and economic contributions of institutions that enroll students who receive State student financial aid, and the question of oversight of the independent sector generally.

If the Commission continues its periodic reports on the financial condition of the independent sector, staff believes it should explicitly focus on those institutions who enroll Cal Grant students to put the financial information in the appropriate context. The reports should be expanded to include information on the contributions of these institutions to the State's goals of student diversity, access, success, teacher education, preparation of new faculty, and diversity of faculty. The issue of the economic contributions of these institutions to the State should also be addressed. This information will give the Commission the appropriate context within which to make judgments about the adequacy of State-funded financial aid for students in these institutions.

Finally, the Commission may wish to consider the issue of the adequacy of current law with respect to different types of private institutions. Current law distinguishes between private institutions only on the basis of accreditation and licensure status and makes no mention of issues such as program breadth or non-profit status. While it may not be necessary for the law to be amended in order to better distinguish between these institutions on those bases, that decision should be made in a considered manner and based on the State's policy priorities regarding quality, access, and success for its students. The Commission should be prepared to address that issue at the time that it reviews the Private Postsecondary Education Act of 1977 next year.

Appendix

Supplemental Report Language, Item 7980-101-001
Cal Grant A and Cal Grant B Programs Maximum Grant Policy

It is the intent of the Legislature to adopt a policy for setting and adjusting the maximum grant provided under the Cal Grant A and Cal Grant B student financial aid programs for students attending independent colleges and universities and proprietary schools. The California Postsecondary Education Commission (CPEC), in conjunction with the Student Aid Commission (SAC), shall convene a policy committee advisory to the Legislature which shall include not more than one representative from the University of California, California State University, California Community Colleges, independent colleges and universities, proprietary schools, appropriate legislative policy and fiscal committees, the Department of Finance, Legislative Analyst, California State Student Association, University of California Student Association Board of Directors, authorized student groups -- one representative each from the California Community Colleges, the independent colleges, and proprietary schools, CPEC, and SAC.

The policy advisory committee shall consider and make recommendations about State policy on the role of the State in meeting the educational costs of students with financial need that choose to attend non-public postsecondary educational institutions.

The committee shall also:

- Develop alternative policies for setting maximum grant levels, which include, but are not limited to, basing the maximum grant on the following: (1) policies developed by the Master Plan Review Commission, (2) policies discussed in the Analysis of the 1988-89 Budget Bill, and (3) variations on methodologies established for setting student fees in public institutions as set forth in SB 195, (Ch. 1523/85); and
- Identify the appropriate award levels for the alternative policies developed.

The CPEC and SAC shall jointly submit, on behalf of the policy advisory committee, a preliminary report on the above items, to the Chairpersons of the Joint Legislative Budget Committee, the appropriate policy and fiscal committees, and the Governor by November 1, 1988, and a final report including recommendations, by February 1, 1989. The report shall be a report of the policy committee advisory to the Legislature.

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CALIFORNIA POSTSECONDARY EDUCATION COMMISSION

THE California Postsecondary Education Commission is a citizen board established in 1974 by the Legislature and Governor to coordinate the efforts of California's colleges and universities and to provide independent, non-partisan policy analysis and recommendations to the Governor and Legislature.

Members of the Commission

The Commission consists of 15 members. Nine represent the general public, with three each appointed for six-year terms by the Governor, the Senate Rules Committee, and the Speaker of the Assembly. The other six represent the major segments of postsecondary education in California.

As of January 1989, the Commissioners representing the general public are:

Mim Andelson, Los Angeles
C. Thomas Dean, Long Beach
Henry Der, San Francisco
Seymour M. Farber, M.D., San Francisco
Helen Z. Hansen, Long Beach
Lowell J. Paige, El Macero, *Vice Chairperson*
Cruz Reynoso, Sacramento
Sharon N. Skog, Palo Alto, *Chairperson*
Stephen P. Teale, M.D., Modesto

Representatives of the segments are:

Yori Wada, San Francisco; representing the Regents of the University of California

Claudia H. Hampton, Los Angeles; representing the Trustees of the California State University

John F. Parkhurst, Folsom; representing the Board of Governors of the California Community Colleges

Harry Wugalter, Thousand Oaks; representing the Chairman of the Council for Private Postsecondary Educational Institutions

Kenneth L. Peters, Tarzana; representing the California State Board of Education

James B. Jamieson, San Luis Obispo; representing California's independent colleges and universities

Functions of the Commission

The Commission is charged by the Legislature and Governor to "assure the effective utilization of public postsecondary education resources, thereby eliminating waste and unnecessary duplication, and to promote diversity, innovation, and responsiveness to student and societal needs."

To this end, the Commission conducts independent reviews of matters affecting the 2,600 institutions of postsecondary education in California, including Community Colleges, four-year colleges, universities, and professional and occupational schools.

As an advisory planning and coordinating body, the Commission does not administer or govern any institutions, nor does it approve, authorize, or accredit any of them. Instead, it cooperates with other state agencies and non-governmental groups that perform these functions, while operating as an independent board with its own staff and its own specific duties of evaluation, coordination, and planning,

Operation of the Commission

The Commission holds regular meetings throughout the year at which it debates and takes action on staff studies and takes positions on proposed legislation affecting education beyond the high school in California. By law, the Commission's meetings are open to the public. Requests to address the Commission may be made by writing the Commission in advance or by submitting a request prior to the start of a meeting.

The Commission's day-to-day work is carried out by its staff in Sacramento, under the guidance of its executive director, Kenneth B. O'Brien, who is appointed by the Commission.

The Commission issues some 40 to 50 reports each year on major issues confronting California postsecondary education, and it makes these publications available without charge while supplies last.

Further information about the Commission, its meetings, its staff, and its publications may be obtained from the Commission offices at 1020 Twelfth Street, Third Floor, Sacramento, CA 98514; telephone (916) 445-7933.

THE FOURTH SEGMENT

California Postsecondary Education Commission Report 88-40

ONE of a series of reports published by the Commission as part of its planning and coordinating responsibilities. Additional copies may be obtained without charge from the Publications Office, California Postsecondary Education Commission, Third Floor, 1020 Twelfth Street, Sacramento, California 95814-3985.

Recent reports of the Commission include:

88-27 Proposed Construction of Off-Campus Community College Centers in Western Riverside County: A Report to the Governor and Legislature in Response to a Request of the Riverside and Mt. San Jacinto Community College Districts for Capital Funds to Build Permanent Off-Campus Centers in Norco and Moreno Valley and South of Sun City (June 1988)

88-28 Annual Report on Program Review Activities, 1986-87: The Twelfth in a Series of Reports to the Legislature and the Governor on Program Review by Commission Staff and California's Public Colleges and Universities (June 1988)

88-29 Diversification of the Faculty and Staff in California Public Postsecondary Education from 1977 to 1987: The Fifth in the Commission's Series of Biennial Reports on Equal Employment Opportunity in California's Public Colleges and Universities (September 1988)

88-30 Supplemental Report on Academic Salaries, 1987-88: A Report to the Governor and Legislature in Response to Senate Concurrent Resolution No. 51 (1965) and Subsequent Postsecondary Salary Legislation (September 1988)

88-31 The Role of the California Postsecondary Education Commission in Achieving Educational Equity in California: The Report of the Commission's Special Committee on Educational Equity, Cruz Reynoso, *Chair* (September 1988)

88-32 A Comprehensive Student Information System, by John G. Harrison: A Report Prepared for the California Postsecondary Education Commission by the Wyndgate Group, Ltd. (September 1988)

88-33 Appropriations in the 1988-89 State Budget for the Public Segments of Higher Education: A Staff Report to the California Postsecondary Education Commission (September 1988)

88-34 Legislation Affecting Higher Education Enacted During the 1987-88 Session: A Staff Report to the California Postsecondary Education Commission (October 1988)

88-35 Meeting California's Adult Education Needs: Recommendations to the Legislature in Response to Supplemental Language in the 1988 Budget Act (October 1988)

88-36 Implementing a Comprehensive Student Information System in California: A Recommended Plan of Action (October 1988)

88-37 Proposed Establishment of San Jose State University's Tri-County Center in Salinas: A Report to the Governor and Legislature in Response to a Request by the California State University for Funds to Create an Off-Campus Center to Serve Monterey, San Benito, and Santa Cruz Counties (October 1988)

88-38 Progress in Implementing the Recommendations of the Commission's 1987 Report on Strengthening Transfer and Articulation: A Staff Report to the California Postsecondary Education Commission (October 1988)

88-39 Proposition 98 -- The Classroom Instruction Improvement and Accountability Act: A Staff Analysis for the California Postsecondary Education Commission (October 1988)

88-40 The Fourth Segment: Accredited Independent Postsecondary Education in California. The Fifth in a Series of Reports on the Financial Condition of California's Regionally Accredited Independent Colleges and Universities (December 1988)

88-41 Beyond Assessment: Enhancing the Learning and Development of California's Changing Student Population. A Report in Response to the Higher Education Talent Development Act of 1987 (Assembly Bill 2016; Chapter 1296, Statutes of 1987) (December 1988)

88-42 The Role of the Commission in Achieving Educational Equity: A Declaration of Policy (December 1988)

88-43 Education Needs of California Firms for Trade in Pacific Rim Markets: A Staff Report to the California Postsecondary Education Commission (December 1988)

88-44 Distribution of Revenue from Concurrent Enrollment at the California State University: A Report to the Legislature in Response to Supplemental Language to the 1988-89 Budget Act (December 1988)

88-45 Prepaid College Tuition and Savings Bond Programs: A Staff Report to the California Postsecondary Education Commission (December 1988)